

## HOME BUILDERS & REMODELERS ASSOCIATION OF CONNECTICUT, INC.

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## Housing Committee Public Hearing Testimony February 28, 2023

To: Chairmen Rep. Luxenberg, Sen. Moore, Ranking Members Rep. Polletta, Sen.

Sampson, and distinguished Members of the Housing Committee

From: Jim Perras, CEO

Regarding: S.B. No. 4 AN ACT CONCERNING CONNECTICUT'S PRESENT AND FUTURE

**HOUSING NEEDS. (Support LCO 5025 with additional amendments)** 

H.B. No. 6781 (RAISED) AN ACT ADDRESSING HOUSING AFFORDABILITY FOR

**RESIDENTS IN THE STATE. (Support with amendments)** 

H.B. No. 6777 (RAISED) AN ACT CONCERNING PROPERTY TAX ABATEMENTS FOR CERTAIN SENIOR-OWNED DEED-RESTRICTED PROPERTIES. (Oppose)

H.B. No. 5326 AN ACT CONCERNING THE AFFORDABLE HOUSING APPEALS PROCESS AND REMOVING THE MUNICIPAL OPT-OUT DEADLINE FOR

**ACCESSORY APARTMENTS. (Oppose)** 

The Home Builders and Remodelers Association of Connecticut (HBRA-CT) is a professional trade association with almost nine hundred business members statewide, employing tens of thousands of Connecticut residents. Our association of small businesses consists of residential and commercial builders, land developers, remodelers, general contractors, subcontractors, suppliers and those businesses and professionals that provide services to our diverse industry. We build between 70% to 80% of all new homes and apartments in Connecticut each year and engage in countless home remodeling projects.

The HBRA-CT thanks the Committee for the opportunity to offer testimony in support of S.B. 4 (LCO 5025): An Act Concerning Connecticut's Present and Future Housing Needs (With Additional Amendments). The HBRA-CT appreciates the efforts of this Committee's leadership to address the lack of housing production to meet the needs of Connecticut residents. The HBRA-CT is supportive of the provisions in this legislation that pertain to workforce housing. However we would respectfully ask that the Committee strike the following provisions from the bill that will make it harder for housing providers to keep and maintain properties:

- Moratorium on notices to quit from December 1 through March 31. This will be extremely difficult, especially for small housing providers who cannot easily absorb nonpayment of rent for that long.
- Non removal for eviction from December 1 through March 31. For same reasons cited above.
- Limitations on rent late charges to \$25 or less. Industry practice is to tie the late fee to a percentage of the rent. If the late fee is too low there will be no incentive for tenants to catch up once again disparately impacting our smaller housing providers.

The HBRA-CT thanks the Committee for the opportunity to offer testimony in support of H.B. 6781: An Act Addressing Housing Affordability for Residents in the State (With Amendments). The HBRA-CT appreciates the House Leadership and this Committee's efforts to find common sense solutions to aid tenants without penalizing compliant housing providers. The HBRA-CT also commends the Committee for the pro development provisions in this bill that address important issues such as sewer capacity, incentives for missing middle housing and its various bonding initiatives, to name a few.

However, the HBRA-CT would respectfully request that the Committee strike Section 32 which increases the conveyance tax and would dedicate surplus revenue to the Housing Trust Fund. This provision appears to be an attempt to discourage out of state investors from purchasing single family homes that shrinks housing inventory and drives up costs. However, while this type of investment activity appears to be happening in other parts of the country it is not clear that this practice is occurring in Connecticut with any sort of regularity. In essence, this provision seems to be a solution in search of a problem. Furthermore, the Housing Trust Fund benefits the entire state, as such the costs associated with the Fund should be born by the entire state.

The HBRA-CT asks that the Committee reject H.B. 6777 and H.B. 5326 both of which would weaken CGS 830(g), commonly referred to as the Builder's Remedy. 830(g), while not perfect, is one of the few tools available to compel towns with overly restrictive zoning to allow multi-family developments that contain the requisite percentage of deed restricted units.

Thank you once again to provide testimony on SB 4, HB 6781, HB 6777, and HB 5326.